THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (e) The information is being collected from State Bank of India and, to the extent available, will be laid on the Table of the House.

AMENDMENT IN BANKING REGULATION ACT

2586. SHRI SHIV PRATAP MISHRA :
SHRI KAMAL MORARKA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that RBI has requested Government to amend the Banking Regulation Act to clear the path for the setting up of private Banks;

(b) if so, the details of the proposal made by RBI;

(c) whether Government have taken any decision on the proposal; and

(d) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) With a view to ensure that the banks being set up in the private sector in terms of the recent policy guidelines of the Reserve Bank of India (RBI) are well managed and also to enable RBI to exercise its regulatory powers more effectively, certain amendments have been suggested in the Banking Regulation Act, 1949, by RBI to the Government. No final decision has been taken by the Government in the matter.

DEBT REPAYMENT SCHEDULE

2587. SHRI JIBON ROY :
DR. JINENDRA KUMAR JAIN:
SHRI RAM JETHMALANI :

Will the Minister of FINANCE be pleased to state :

(a) what is the debt repayment schedule prepared by Government of India for the year 1994-95 and for the next five financial years, both in terms of amount and percentage of GNP;

(b) how Government propose to meet the fresh debt service commitments in these years; and

(c) what is the amount of our total foreign debt as on 1st November, 1993 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Total debt service payments made by the country during 1992-93 were US $8.1 billion which constituted about 3.4 per cent of GDP. Future debt service payments depend not only on past borrowings but also on current and future borrowings. These depend upon the movements in various items under both current and capital accounts of the balance of payments which, in turn, depend on a number of factors. Given the complexity of the situation, it is not possible to indicate the exact future debt repayment schedule.

(b) Financing of the debt service payments also cannot be seen in isolation of the movements in various items under both current and capital accounts of the balance of payments. In the long-run, the capacity for debt servicing is broadly determined by the growth of exports and other foreign exchange earnings. The Government intends to meet all its debt service obligations as and when they arise.

(c) The data on external debt are being compiled on an year-end and half-yearly basis and the latest data indicate a stock of US $ 85.4 billion (Rs. 2661.67 hundred crore) as at the end of March, 1993.

RETRENCHMENT OF OFFICES AND EMPLOYEES OF LOSS MAKING BANKS

2588. SHRI RAMDAS AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a news item in the Financial Express dated 3rd December, 1993 captioned "4,000 bank branches may be closed down" by March, 1995 and 500 loss-making branches of nationalised bank would cease to exist-before the next budget of the Central Government;

(b) if so, whether it is a fact that Government, is trying to force a retrenchment of nearly one lakh officers and employees particularly these bank employees who are serving in the urban and metropolitan areas of the country because of a direct fall out of the recent understanding reached between some of the 14 nationalised loss making banks and RBI; and

(c) whether some bank managements have opined that the latest moves of Government and RBI are "ill-fonded and illogical" if so, what is the reaction of Government thereto and what 'remedial steps are proposed are to be taken to ease the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Yes, Sir. The number of branches which may be closed is, however, 100 only.

(b) There is no move to retrench the employees of the branches which are proposed to be closed. The staff at such branches will be productively redeployed in other branches of the bank for essential activities such as internal audit, recovery, housekeeping etc.

(c) No, Sir.

RECOVERY OF LOANS BY SBI, JANAKPURI

2589. SHRI M. A. BABY :

SHRI E. BALANANDAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the reliefs granted by the Government of India in respect of recovery of loan granted to November, 1984 riot victims have not been implemented by the State Bank of India;

(b) whether the said Bank failed to advise the borrowers about the extent of relief provided as per the Reserve Bank of India circular dated on 1st September, 1993 ; and

(c) whether the SBI are taking steps to settle the cases of riot victims by withdrawing the court cases filed against them ?

THE MINISTER OF STATE IN THE MINISTER OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) State Bank of India (SBI) has reported that it has been implementing the Debt Relief Scheme for November, 1984 Riot Affected Borrowers and the Central Interest Subsidy Scheme (Revised) for November, 1984 Riot Affected Borrowers.

(b) SBI has reported that the work relating to calculation of the amount of interest relief available to the eligible borrowers as per the Reserve Bank of India circular of 1st Sept. 1993 is in progress at its branches and the borrowers will be advised by the branches in this regard.

(c) In case of borrowers eligible for relief under debt Relief Scheme for November, 1984 Riot Affected Borrowers, whenever required, steps have been taken by SBI for withdrawing the court cases, if any, filed against such borrowers.

2590. [TRANSFERRED TO 22ND DECEMBER, 1993]

INCREASE IN THE NON-PLAN EXPENDITURE OF STATES

2591. SHRI S. MADHAVAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have examined wasteful expenditures, leakages of revenue